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Message Text

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62
ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 CIAE-00 INR-07 NSAE-00 L-03 FCC-02

BIB-01 TRSE-00 USIA-15 /048 W
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R 082012Z OCT 75
FM AMCONSUL MONTREAL
TO SECSTATE WASHDC 6800
INFO USDOC WASHDC
AMEMBASSY OTTAWA
AMCONSUL QUEBEC

UNCLAS MONTREAL 1637

E. O. 11652: N/A
TAGS: ETEL, BGEN, CA
SUBJ: DELETION OF TELEVISION COMMERCIALS

REF: OTTAWA 3704, OCTOBER 1, 1975 AND MONTREAL 1632, OCTOBER 8, 1975

1. DURING OCTOBER 8 SESSION OF ITS MONTREAL PUBLIC HEARINGS, ATTENDED BY CONGEN OFFICER, CANADIAN RADIO-TELEVISION COMMISSION CONSIDERED APPLICATION OF CABLE T.V. LIMITED FOR RENEWAL OF LICENSE FOR ITS CABLE TELEVISION UNDERTAKING SERVING PART OF MONTREAL. LICENSE EXPIRES SEPTEMBER 30, 1976.

2. IN HIS PRESENTATION, CABLE T.V. PRESIDENT DAVID FERGUSON SAID DELETION POLICY WAS "ECONOMICALLY UNJUSTIFIED, TECHNICALLY IMPRACTICAL AND MORALLY REPREHENSIBLE." HE REQUESTED THAT CRTC RECONSIDER THE APPLICATION OF THE POLICY, AT LEAST TO THIS AREA. HE ADMITTED THERE ARE "GEOGRAPHICAL SITUATIONS" WHERE CANADIAN BROADCASTERS HAVE BEEN HURT BY U.S. BORDER STATIONS BUT SAID THIS DOES NOT THREATEN CANADIAN BROADCASTING IN GENERAL AND DOES NOT JUSTIFY COUNTRY-WIDE APPLICATION OF THE DELETION POLICY. HE RECOMMENDED GOC ATTEMPT TO REPATRIATE ADVERTISING REVENUE, IF IT FELT THIS MUST BE DONE, BY THE ENFORCEMENT OF TAX PROVISIONS CONCERNING NON-CANADIAN ADVERTISING EXPENSES.

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3. FERGUSON SPOKE OF "ENORMOUS EXPENSE" WHICH IMPLEMENTATION OF

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

POLICY WOULD PLACE ON CABLE OPERATORS. HE ADDED THAT DELETION WOULD BE DONE "CRUDELY AT BEST" AND LEAVE VIEWERS WONDERING WHETHER PARTS OF PROGRAMS ALSO BEING AFFECTED. IN ANSWER TO QUESTION FROM CRTC MEMBER HE ADMITTED THAT NOT ALL U.S. ADVERTISING IS GOOD FOR CANADA AND THAT SOME MAY EVEN BE CONTRARY TO CANADIAN LAW, BUT INSISTED CABLE FIRMS SHOULD TAKE ENTIRE U.S. SIGNAL OR NONE AT ALL. FERGUSON SAID DELETION POLICY PLACES CABLE COMPANIES IN POSITION TO INFLUENCE CONTENT OF WHAT WILL EVENTUALLY BE THE MOST WIDELY USED COMMUNICATIONS SYSTEM IN CANADA. THE GOVERNMENT COULD THEN CONTROL WHAT VIEWERS WILL SEE THROUGH ITS INSTRUCTIONS TO CABLE OPERATORS. AS FOR THE MONTREAL AREA, ONLY 40 PERCENT OF VIEWERS SEE U.S. CHANNELS THROUGH CABLE WHILE THE REMAINDER RECEIVE THEM DIRECTLY, WHICH CANNOT BE CONTROLLED BY CRTC.

4. IN DISCUSSION WITH FERGUSON FOLLOWING CRTC SESSION, CONGEN OFFICER WAS TOLD THAT HE DID NOT DWELL ON LEGAL ASPECTS OF COMMERCIALS DELETION POLICY BECAUSE HE FEELS CRTC ACTION WILL BE UPHELD BY CANADIAN COURTS. FERGUSON ALSO SAID HE EXPECTS THAT THE CRTC ORDER EXTENDING CABLE T.V.'S LICENSE WILL INSTRUCT THE FIRM TO DELETE U.S. COMMERCIALS. HE FEELS CRTC SHOULD RULE ON HIS APPLICATION WITHIN SIXTY DAYS.

5. WITH REGARD TO THE CRTC'S SIMULCAST POLICY, DETAILS OF WHICH WERE PREVIOUSLY REPORTED TO THE DEPARTMENT (MONTREAL A-67 OF MAY 9, 1973 AND PREVIOUS), FERGUSON TOLD COMMISSION HE APPROVES DELETION BUT NOT SIMULTANEOUS SUBSTITUTION WITHOUT NOTIFICATION TO THE VIEWERS. HE SAID HIS FIRM HAS BEEN ORDERED TO EFFECT SIMULTANEOUS SUBSTITUTION AND IS DOING IT ALTHOUGH HE FEELS THIS IS "SURREPTITIOUS."
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Message Attributes

Automatic Decaptioning: X
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Draft Date: 08 OCT 1975
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Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
Enclosure: n/a
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Film Number: D750350-0300
From: MONTREAL
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1975/newtext/t19751070/aaaackpq.tel
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Margaret P. Grafeld
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US Department of State
EO Systematic Review
06 JUL 2006

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